STATE OF CALIFORNIA – HEALTH AND WELFARE AGENCY EDMUND G. BROWN JR., GOVERNOR

DEPARTMENT OF SOCIAL SERVICES
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September 26, 1979

ALL-COUNTY LETTER NO. 79-65 (COUNTY FISCAL ADMINISTRATION)

TO: ALL COUNTY WELFARE DIRECTORS
FISCAL OFFICERS
ADMINISTRATIVE SERVICES OFFICERS
COUNTY AUDITORS

SUBJECT: COUNTY WELFARE DEPARTMENT ADMINISTRATIVE CLAIM

Chapter 282 of the statutes of 1979 (AB 8), effective July 1, 1979, has resulted in a number of changes in state/county sharing ratios. This letter provides a summary of those revised ratios, by program, and the resultant claim changes which are to be incorporated on the July-September 1979 Quarterly Administrative Expense Claim. In addition to the funding changes, additional instructions are provided relative to Social Services Time Study (DFA 46) changes for the December quarter; In-Home Supportive Services maximum payments; WIN Child Care maximum reimbursement rates; Restaurant Meal Allowances; Emergency Response claim revisions, and Personal Property Depreciation Guidelines. Revised forms reflecting the claim changes will be available for the quarter ending December 31, 1979.

AB 8 Funding Changes

AFDC

State funding of the county share of AFDC administrative costs (pursuant to Chapter 292/332 of the Statutes of 1978) reverts back as a county share. For claiming purposes, costs identified as "Chapter 292 State Funds" on the DFA 327.6 (7/79 Revision) are to be shifted to "County Share" and entered in Column 8.

NA FOOD STAMPS

In addition to state funding of the county share of administrative costs reverting back to a county liability, the revised funding ratio for NAFS provides for a 50 percent federal/25 percent state/25 percent county sharing without consideration of a county's "base year" share. For claiming purposes, the following modifications are to be made for the July-September 1979 quarter:

DFA 327.4: Eliminate modification B - Food Stamps.

DFA 327.6, Line E: For State Welfare Funds (Column 6) enter 25 percent of Column 3 (Total). Delete Column 7, enter the 25 percent county share in Column 8.

CUBAN - AFDC

State funding of the county share of the nonfederal costs of the Cuban-AFDC Program (pursuant to Chapter 292 of the Statutes of 1978) reverts back as a county liability. For claiming purposes, costs identified as "Chapter 292 State Funds" on the DFA 327.6 (7/79 Revision) are to be shifted to "County Share" and entered in Column 8.

Note: Additional funding ratio changes will be made for the October-December 1979 quarter to reflect the FFY 79-80 phase-down funding for the Cuban Program; however, the above change is the only one to be reflected for the July-September 1979 quarter.

APSB (AID TO POTENTIALLY SELF-SUPPORTING BLIND)

The state share of administrative costs of the APSB Program has been increased from 50 percent to 83.3 percent; (of total costs) with the resultant county share reduced to 16.7 percent. For claiming purposes on the DFA 327.6, compute 83.3 percent of Line F, Column 3 and enter that amount in Column 6; then subtract Column 6 from Column 3 and enter that amount in Column 8 representing the 16.7 percent county share.

WIN

The state will assume the total nonfederal share (10 percent of total costs) of WIN Day Care. For claiming purposes an adjustment must be made to the WIN modification on the DFA 327.3. To reflect the new 90 percent federal/10 percent state share of WIN Child Care, the Line A, Column 3 total is to be computed by subtracting Column 2 from Column 1, with no amount entered in Column 4 for County Share.

Note: No change has been made in the funding ratio for other WIN components (SAU remains 90 federal/10 county and medical exams remain 100 percent federal funding).

STAFF DEVELOPMENT

Staff Development funding for Social Services was not impacted by AB 8 - the funding ratio remains 75 percent federal and 25 percent county. However, the new Eligibility and Nonservice Staff Development funding ratio provides for the state assumption of 50 percent of the nonfederal portion - with the county responsible for the remaining 50 percent of the nonfederal share (total costs: 75 percent federal, 12.5 percent state and 12.5 percent county). For claiming purposes on the 327.5, Line 01 - Column 5 enter 12.5 percent of the Column 3 Total Staff Development costs as the State share. Then compute the Column 6 county share according to column instruction.

IHSS Maximum Monthly Payments

Effective July 1, 1979, the maximum payments allowable per IHSS case are $460 for nonseverely impaired and $664 for severely impaired individuals.

Due to time constraints, this change was not included on the revised administrative expense claiming forms for the July-September 1979 quarter. Therefore, counties should disregard the maximum amounts listed on the DFA 327.5 and use the revised maximum payment limitations when calculating the county share of IHSS.

Note: Effective July 1, 1979, the restaurant meal allowance will be increased to $38 per month for each individual.

WIN Child Care

Effective July 1, 1979, the maximum reimbursement rates for child care have been changed to:

(1) For children two years of age and older, reimbursement is available at $1.36 per child/hour or program cost, whichever is less.

(2) For children under two years of age, reimbursement is available at $1.62 per child/hour or program cost, whichever is less.

The reimbursement rates per child/hour are not to be computed by an averaging method. The reimbursement rates apply to each case.

Non-expendable Personal Property

Nonexpendable personal property with a unit acquisition cost of $5,000 or more must be depreciated in accordance with IRS guidelines or claimed via a use allowance not to exceed six and two-thirds (6-2/3) percent of acquisition cost.

Effective April 5, 1979, Federal regulations removed the $5,000 limitation for motor vehicles used for the administration and/or delivery of social services. The counties are no longer required to depreciate such motor vehicles that have a unit acquisition cost of $5,000 or more. The cost of a motor vehicle may be claimed in full at the time of acquisition.

Nonexpendable personal property with a unit acquisition cost that is less than $5,000 may be claimed in full at the time the costs are expended. However, any property claimed as a one-time expenditure including motor vehicles, that has a unit acquisition cost in excess of $300 per unit must be inventory controlled in case the item is either transferred or sold before its useful life has expired.

When a piece of equipment having a useful life is transferred or sold, the greater of either remaining value or the sales revenues must be abated on a current claim.

Personal property with no further use value that had a unit acquisition cost of less than $1,000 may be sold or otherwise disposed of by the county with no further obligation. If, however, the welfare department receives any revenues from the sale of equipment, this amount must be abated on a current claim in accordance with Fiscal Manual Section 25-815.36.

Food Stamp Nonexpendable Personal Property

If a county purchases a burglar alarm or separate bank vault for food stamp security with an acquisition cost of less than $2,500, it may be claimed as a one-time expenditure. If the acquisition cost of such personal property is $2,500 or more, it must be depreciated in accordance with IRS guidelines, or claimed via a use allowance not to exceed 6-2/3 percent.

Space Alterations for Handicapped

We have been verbally advised by federal staff that certain space modifications necessary to provide access for handicapped persons may be treated as building maintenance costs and expensed rather than depreciated as an alteration cost. While we do not have final federal approval for claiming all such alterations in this manner, any county welfare departments that would like to pursue this should forward the appropriate DFA 117 to this department. We will then coordinate with the appropriate agencies.

Social Services Worker Time Study (DFA 46) Revisions

All-County Letter 79-40, dated July 6, 1979, provided counties with additional time study for the CPS Emergency Response Program. Due to time constraints, those changes were not included in the July-September 1979 quarter claim format. Therefore, the DFA 46, Social Service Time Study and the October-December 1979 quarter claim format have been revised to include Line O, Emergency Response Backup-Title XX and Line P, Emergency Response Backup-Title IV-B (CWS). The time study and claiming instructions issued in All-County Letter 79-40, remain in effect.

The instructions for the Social Services Time Study (DFA 46) have also been revised to clarify the instructions applicable to Title XX Social Services programs.

If you have any questions on the information in this letter, please call the County Fiscal Administration Bureau at 916/445-7046.

Sincerely,

Claude Finn

CLAUDE E. FINN
Deputy Director
Administration Division

cc: CWDA